



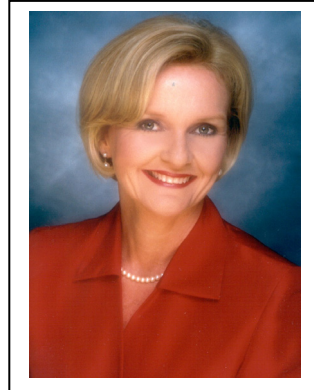
2003 ANNUAL REPORT
OFFICE OF THE MISSOURI STATE AUDITOR
www.auditor.mo.gov

CLAIRE McCASKILL
STATE AUDITOR

ANNUAL REPORT

-----A MESSAGE FROM
THE STATE AUDITOR

The Citizens of Missouri
The Honorable Bob Holden
The Missouri General Assembly



Dear Citizens of Missouri,

It is with pleasure that I present the Missouri State Auditor's Annual Report. This document is required by the Missouri Constitution in order to categorize all of the audit reports issued by our office for calendar year 2003.

Our office has performed many audits that both the citizens and lawmakers of Missouri should find helpful. All of our audits can be accessed on our website at www.auditor.mo.gov.

During 2003 education has been a focus of our office and our state. Our examination of the state's Elementary and Secondary Education funding formula found that expenditures per pupil are less equitable now than before the formula was rewritten in 1993.

Additionally, our audit of college tuition fees showed Missouri has both the highest average tuition among Big 12 states, as well as the highest negative correlation between state appropriations and tuition. When state funding decreased, tuition almost always increased.

Finally, our audit of public school district travel expenses found accountability lacking and the need for more documentation.

Additional audits highlighted in this report include Missouri's foster care system, new jobs training tax credits and management of the state aircraft fleet.

Through the use of these audits, citizens, lawmakers and elected officials can work together for a better Missouri.

Very truly yours,

A handwritten signature in black ink that reads "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" being more prominent.

Claire McCaskill

OVERVIEW OF THE MISSOURI STATE AUDITOR'S OFFICE

DUTIES OF THE STATE AUDITOR

In the Missouri Constitution, under Article IV, Section 13, the Missouri State Auditor is responsible for auditing all state agencies, boards and commissions; the state court system; counties that do not have a county auditor; and other political subdivisions, such as cities or school districts upon petition by the voters of those subdivisions.

All audits are conducted in an impartial, nonpartisan manner, in accordance with government auditing standards issued by the United States General Accounting Office. State auditors adhere to the rigorous standards of the auditing profession and exercise the highest levels of integrity and ethics. Audit findings and recommendations are based upon reliable evidence free from preconceived notions and the influence of personal opinions.

AUDITS PERFORMED IN THE OFFICE

There are primarily five types of audits that are performed in the State Auditor's Office. They include the following:

- 1) State Government Audits: consist of state agencies and departments, boards and commissions, statewide elected officials, the legislature, the state's financial statements, or federal awards expended by the state.
- 2) Performance Audits: independent examinations for the purpose of reporting on the extent to which agencies and departments of state government are faithfully carrying out the programs for which they are responsible and determining whether the programs are achieving their desired result.
- 3) Petition Audits: the State Auditor may be called on to audit any political subdivision of the state, such as cities, school districts, water districts etc., if enough qualified voters of that political subdivision request an audit. The political subdivision pays the actual cost of the audit.
- 4) County Audits: the State Auditor is required to conduct audits once every four years in counties that do not have a county auditor.
- 5) Special County Audits: the State Auditor conducts a special audit after a vacancy occurs in a county official's office, before the Governor appoints a replacement county official.

For a complete listing of year 2003 audits delivered, please see Appendix A / page 37.

BOND REGISTRATION

The State Auditor's Office is responsible for reviewing and registering general obligation bonds issued by political subdivisions in Missouri to ensure those bonds comply with both state law and the conditions of the contracts under which the bonds were issued. For a complete listing of bonds registered in 2003 with the State Auditor's Office, please see Appendix B/ page 42.

REVIEW OF PROPERTY TAX RATES

State law requires the Missouri State Auditor to annually check all taxing jurisdictions throughout Missouri as to their compliance with the tax limitation provisions of Missouri's Hancock Amendment. Our tax report shows whether or not a taxing jurisdiction has met its constitutional and statutory obligation to set an overall tax rate at a level approved by voters and within the bounds of limits set by Missouri's Constitution and the State Legislature. Through the efforts of the State Auditor's Office, local governments levying taxes in excess of what is allowable by law have been reduced from 67 in 1999 to 7 in 2003.

IMPORTANT: The State Auditor's Office has no authority to determine or review individual tax assessments. Chapter 138, RSMo governs the appeals process for assessed valuations as they pertain to individual taxpayers.

All individual tax assessment matters are the responsibility of each county assessor and board of equalization. Appeals to the state on tax assessment matters are handled by the Missouri State Tax Commission.



YEAR 2003 AUDIT HIGHLIGHTS

EDUCATION ISSUES

During 2003 the State Auditor's Office conducted audits on a variety of educational issues including educational funding, travel expenditure accountability, and higher education tuition levels. Children are our most precious natural resource and the State of Missouri must ensure elementary, secondary and higher education receive adequate and equitable funding.



For school year 2002, there were 524 public school districts in Missouri with a fall enrollment of approximately 890,195 students. The amount of aid distributed to Missouri's public school districts by the state is calculated by what is commonly referred to as the foundation formula, which is established by state law. In school year 2002, the foundation formula distributed to the public school districts approximately \$1.6 billion for basic entitlement and an additional \$328 million for at-risk entitlement. The basic entitlement distributions account for about 24 percent of the total revenues districts received. In addition, various

categorical add-ons to the formula provided approximately \$509 million of additional funds to public school districts.

The foundation formula contains a hold harmless provision, which states no district shall receive less state aid per pupil under the new formula than it received in school year 1993. As a result of 1998 legislation, some hold harmless districts receive funding in excess of school year 1993 levels due to increases in the number of at-risk students within the district. Hold harmless districts receive more monies than what is calculated by the basic entitlement. This occurs when the combined total of local, state, and federal revenues is greater than the amount calculated as the basic entitlement for the district.

Hold harmless districts have increased from 10 districts in school year 1993 to 54 districts in school year 2002. According to Department of Elementary and Secondary Education (DESE) calculations, this provision allowed these 54 districts to receive a revenue advantage of approximately \$244 million in school year 2002. Hold harmless districts have the ability to spend more per pupil with less of a local tax burden. In addition, hold harmless districts would not be affected should funding cuts be made to basic entitlement distributions. Proposals to remove gambling proceeds from the formula calculations would result in less equitable distributions to public schools. This is true because the gambling proceeds would no longer be available to offset disparities in local revenues among local schools.

Our audit found expenditures per pupil data among school districts is less equitable now than before the formula was rewritten in 1993. In *Education Week's* January 2003 report, Missouri's equity score dropped to a D- with only Illinois and North Dakota receiving a lower score. Further, the DESE does not periodically provide relevant information regarding the equity of educational funding to the legislature.

The foundation formula, which determines each district's state aid entitlement, uses the district income factor as one component in its calculations. This component of the formula is based on information provided by the Department of Revenue (DOR). The 2000 tax return information was used for the school year 2003 foundation formula calculations. However, 283,197 returns were missing a school district code and 173,416 returns had an erroneous code. These returns account for about 19 percent of the returns filed for the year and approximately \$25 billion, or 23 percent, of the Missouri adjusted gross income. Since approximately one-fourth of the state's adjusted gross income is not considered in the formula calculations, educational funding may not have been distributed as equitably as intended by the formula. In addition, the audit reports the state is not in compliance with certain statutory funding requirements, and the state has not made necessary calculations to ensure it complies with a constitutional provision.

(Report No. 2003-36)



The State Auditor's Office has audited the travel expenditures for public school districts in Missouri. School districts spent approximately \$30 million on travel during fiscal year ended June 30, 2002 according to the Annual Secretary of the Board report (ASBR). This review of 207 (40%) of the 524 school districts included \$24 million (80%) of the total \$30 million spent on travel expenditures.

Only half of the schools selected for our review could report travel expenditures in the detail originally requested. Some of the school districts that completed the initial request indicated their accounting system did not have this information in the detail requested and that many files and records had to be reviewed to provide such detail. Many other schools indicated additional time and cost would be involved in order to provide the detail of the initial request and as a result, a follow-up request was later sent to applicable school districts requesting travel expenditure information in a different format.

The reporting styles used by school districts displays travel expenditures in various formats. It is unclear how the various reporting styles used by school districts ensure the overall accountability for travel costs. School district officials could better monitor the travel expenditures for conference/seminar registration fees, mileage expense, commercial transportation, lodging, meals, etc. if additional tracking was performed. During difficult budgetary times, additional accountability would help a

school district better monitor and account for travel costs. Given the \$30 million spent on school district travel, the DESE and the individual school districts should ensure higher accountability standards for travel expenditures incurred.

(Report No. 2003-89)



Providing higher education at an affordable price has become increasingly difficult with recent state budget pressures and large decreases in state funding. Average tuition for Missouri's 4-year public colleges and universities is the highest among the Big 12 states and second highest among the contiguous states. In addition, a national report ranked Missouri's recent tuition increases among the highest.

A national study showed Missouri had the highest negative correlation between state appropriations and tuition. This negative correlation means when state funding decreased, tuition almost always increased. Audit analysis showed Missouri's higher education spending at 10 percent of total state spending in fiscal year 2001, which was 1 percent below the national average. For fiscal years 1998 through 2002, total expenditures increased 23 percent for the 13 schools. College and university officials attributed much of the increased spending to areas beyond their control,

such as a more than 20 percent increase in employee benefit costs, increased enrollment, technology and utilities.

Schools spend about 44 percent of total unrestricted spending on instruction. Between 1998 and 2002, unrestricted instruction spending exceeded the Higher Education Price Index inflation growth for 4 of 13 schools. Because of recent budget constraints, department and school officials have started new initiatives to assess the cost-effectiveness of various academic programs.

(Report No. 2003-40)

CHILDREN'S ISSUES

The Missouri State Auditor's Office took a year long look at the foster care system. Our goal in the first audit was to find out how well the children were monitored by the state. The second audit tracked the effectiveness of the core program support functions.



Missouri's foster care system, served 19,000 children during fiscal year 2002. Of the 147 children who died from abuse or neglect between 1998 and 2002, 5 deaths involved foster care children. In addition, about 70 percent of the abuse deaths had calls logged to the Child Abuse Hotline or had other contact with the division before the child died.

Social workers are required to visit foster care children in their foster homes twice a month. Audit tests showed these required visits occurred in 4 of the 170 cases reviewed. In addition, case files on 24 children showed no in-home visit had been recorded and three children had not been seen at home for nearly a year or more.

Missouri foster care officials said the family support team meetings could account for all children and did not see the need for an "inventory". Audit tests at local offices showed 66 percent of these team meetings did not occur as often as policy required. In addition, the meetings did not always involve all parties, including the foster child. After learning our audit report would recommend an "inventory", officials directed local offices in October 2002 to have face-to-face contact with all foster children. Their results showed 142 foster children had not been seen as of January 24, 2003. During one search, a local office found social workers had not visited a small child for a year, and still did not start regular visits until auditors asked about this case again.

During fiscal year 2001, children remained in foster care an average of 24.6 months and audit tests showed division personnel do not always start terminating parental rights as promptly as required when reunification is not possible. Audit tests of 144 cases showed division personnel had not started terminating rights for 53 percent of the children in care 15 of the last 22 months. In 40 percent of these cases the files did not include a compelling reason for not starting the termination process.

Audit tests of 8 local foster care offices showed 16 percent of available foster homes are not used. Overall, seven of the eight locations had homes with no placements, while also having homes with too many children. Division officials said reasons for no placements included older foster children as hard to place, but audit tests showed half of the 41 parents interviewed by auditors would take children up to age 18.

Audit tests showed 34 percent of the 44 foster parent case files reviewed did not have the required current criminal and child abuse and neglect record checks. The division does not regularly require a fingerprint check, or checks for out-of-state criminal records. In addition, the division does not search available circuit court records, which show convictions as well as orders of protection issued against an individual.

(Report No. 2003-25)



The second of two reports on the effectiveness of Missouri's foster care system focuses on core program support functions within the Children's Division of the Department of Social Services. Auditors were unable to determine the average caseload per foster care worker. The foster care case management system listed 923 more social workers than were on the payroll and had numerous errors that would affect the number of cases listed.

Unnecessary costs were incurred by division personnel who did not follow division policy limiting emergency placement pay to 30 days and overpaid foster parents. Unnecessary costs were also incurred by a division policy allowing payment for up to 7 extra days if the provider agrees to hold an opening for a child who has run away.

Some prospective foster parents were licensed even though their files contained hard copy documentation of criminal convictions from their original background checks. Additionally, background checks conducted by the division on prospective social workers do not include the Family Care Registry, which identifies individuals excluded from working for the Departments of Health and Senior Services or Mental Health because of their previous history.

The division does not have a formal retention program that tracks retention rate records or determines the effectiveness of division and foster parent relationships. The division does not perform formal exit interviews and does not track the local office's paper files that may note the parent's reason for leaving.

Based on a national survey conducted by the Child Welfare League of America and the Casey Foundation, Missouri's payments to reimburse foster parents are among the lowest of all states, ranging from 33rd to 37th of 49 reporting states, depending on the child's age. Compared to a USDA report that estimates the costs of raising a child, Missouri rates cover less than 50 percent of the total costs incurred for children ages 3 to 17.

(Report No. 2003-115)



A state law to prevent school bus driver applicants with felony convictions of disallowable offenses was not working, the background screening procedures were insufficient, and the state criminal information incomplete. Disallowable offenses include drug possession, assault, domestic violence and prostitution. Legislation was passed as a result of our audit to strengthen screening procedures of school bus driver applicants.

School bus spot inspections conducted by five highway patrol troops in 2002 showed some operators conducted incomplete inspections. State law requires inspections of each school bus twice a year, with one inspection by highway patrol officials. Bus operator employees licensed to inspect often conduct the second review. A spot inspection is in addition to the two required inspections and is often unannounced. Among four spot inspections conducted by two patrol troops, officials failed 22 busses and restricted 6 of these 22 from service due to serious defects. In two cases, the spot inspections occurred 2 and 15 days after the bus operator's self-inspection. The highway patrol could use results of required inspections to focus spot checks on operations with repeatedly poor inspections.

(Report No. 2003-35)

ECONOMIC ISSUES

The State Auditor conducted various audits of economic issues in 2003. Audits included *Review of the Missouri Unemployment Compensation Trust Fund*, *New Jobs Training Program Tax Credit*, and *Review of Minority-and Women-Owned Business Enterprise Program*.



The Review of the Missouri Unemployment Compensation Trust Fund follows a 2002 audit on the impending insolvency of the Unemployment Trust Fund, which pays unemployment benefits to thousands of individuals each year. The report specifically addresses how the state's Department of Labor and Industrial Relations (DLIR) handles unemployment benefits to those discharged for misconduct.

Auditors found that how the state penalizes misconduct discharges greatly differs from other states. Missouri is one of 12 states allowing individuals discharged for misconduct to receive full unemployment benefits after waiting a 4-to16-week disqualification period based on the severity of the behavior. The department paid \$22.5 million in unemployment benefits during 2001 on approximately 10,000 misconduct discharge cases. The remaining 39 states deny unemployment benefits to anyone discharged for misconduct and the claimants must go back to work and re-qualify for benefits on a future claim.

Auditors found 14 of 18 states contacted do not allow a person who failed a pre-employment drug screening to receive benefits, and denies their claim; while 17 of the 18 states also consider failure of a random drug test to be misconduct and deny or reduce benefits. But Missouri allows unemployment benefits for claimants on drug-related discharge cases unless signs of on-the-job impairment are found or the job is deemed safety sensitive.

State law allows department officials to assess 4 to 16 weeks of disqualification on a misconduct discharge, but auditors found the department seldom imposed a waiting period of more than 4 to 8 weeks. The recently vetoed legislation proposed eliminating these disqualification weeks on misconduct discharges and proposed such claimants would be ineligible for benefits until they returned to work, earned at least \$2,000 and became unemployed again. Department estimates showed this change could save the state \$30 million in benefits annually.

(Report No. 2003-91)

The New Jobs Training Program, started in 1992, authorized community



colleges to train employees of qualified employers who create new jobs. Overall, auditors found the program improved the state's economy, creating new jobs and increasing state revenues.

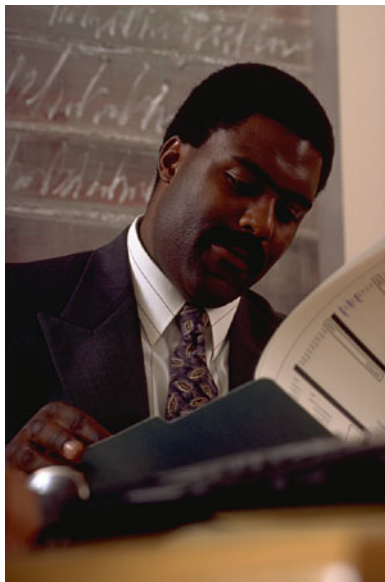
State law allows the community colleges to issue bonds to fund the training services. Colleges receive up to 15 percent of the training funds to cover project administrative expenses over the life of the bonds. These fees have totaled about \$10.6 million of the \$85 million in bonds issued to date. State regulations do not require colleges to track and compare program administrative fees with administrative expenses. Most colleges do not track such expenditures, making it difficult to analyze if the colleges' efforts justify the administrative fees. In addition, not all community colleges have ensured the program's companies created and maintained the promised jobs. Discussion with community college representatives indicated little, if anything, is done to verify the number of jobs created.

State law includes a "clawback" provision for companies to ensure the jobs promised are actually created. If the promised jobs are not maintained for a 5-year timeframe as required by the approved project application, the company can be held liable for a portion of the tax credits redeemed on a particular project. The amount a company is held liable is at the discretion of the Department of Economic Development. Inadequate project oversight has not allowed the department to enforce the provisions when it would otherwise be possible.

(Report No. 2003-32)

In fiscal year 2002, state agencies achieved participation of 9 percent minority business (MBE) and 3 percent women-owned business (WBE) on \$1 billion in goods and services and capital improvement expenditures. These percentages fell short of the state's participation goals of 10 percent MBE and 5 percent WBE as set by a 1998 executive order.

Participation results in 2002 were higher when agencies made expenditures through the Office of Administration (OA), although OA's



reporting of its program results was not entirely accurate. Auditors found OA's Design and Construction (D&C) personnel overstated MBE/WBE accomplishments on three projects by about \$2 million. Auditors also found D&C personnel counted minority, woman-owned subcontractors as both MBE and WBE. In addition, D&C's results include work completed by non-certified MBE/WBEs. Auditors reviewed 86 D&C contracts and found OA did not require MBE/WBE participation on all eligible state contracts. Also, MBE/WBEs were not always made aware of all contract opportunities and OA did not ensure coordination between personnel promoting the program and personnel handling the contracts.

(Report No. 2003-109)

LAW ENFORCEMENT ISSUES



The St. Louis Sheriff's office needs to ensure all office accounts run through the city treasury; while tightening procedures for land tax sales. In April 1989, the Sheriff established a bank account outside the city treasury to handle money in the property room no longer needed as evidence. Between 1989 and 1995, nearly \$200,000 from the property room went into this interest-bearing account. The office used this account to pay for uniforms, training, handguns, cell phones, and other items. The office closed the account in 1995, but then used an additional \$69,000 from the property room between 1997 and 2002 to purchase cashier's checks for alarms, filing and shelving systems, as well as uniforms. The Sheriff's office has continued to hold seized money in the property room, about \$660,000 as of September 2002, which state law requires to be turned over to the state after a certain time period. Several state laws address the correct disposition of the seized property.

The Sheriff's office handles all sales of property with unpaid real estate taxes, which totaled \$3.1 million in revenue funding for the 2001 and 2002 fiscal years. However, auditors noted numerous errors in distributions and fees regarding such sales. Since 1997, these errors include about

\$400,000 that never went to the City Collector as required and about \$270,000 in overpayments to the Collector.

(Report No. 2003-70)

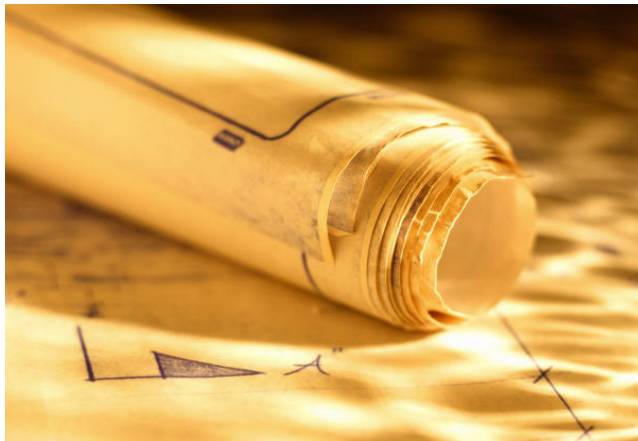


Missouri state law authorizes the Crime Victims' Compensation Program to assist victims who suffer actual bodily harm as a direct result of a crime. We noted in our prior audit report that the Department of Labor and Industrial Relations (DLIR) had not established procedures to ensure that the Crime Victims' Compensation Program received all crime victims' compensation (CVC) fees assessed and collected by the courts in a timely manner. Procedures have now been established to review the monthly Department of Revenue (DOR) fee collection reports and to send letters to those courts not remitting fees requesting remittance of CVC fees.

Our previous report also found the Department of Public Safety (DPS) did not perform timely monitoring of contract awards granted from the Services to Victims Fund (SVF). Effective July 1, 2001, the DPS changed its monitoring policy to monitor contract awards every two years instead of one for every contract period. The DPS changed this policy in response to our prior audit report and the Department of Public Safety, Office of the Director audit dated August 12, 2002. The agency contracts tested for fiscal year 2002 had been monitored in accordance with the new policy.

(Report No. 2003-53)

RANDOLPH COUNTY JUSTICE CENTER



Due to much public attention and the numerous calls and complaints received from Randolph County citizens, the State Auditor's Office performed an audit of the Randolph County Justice Center construction project. The County Commission

could not provide documentation showing how a ½ cent, 18-year sales tax was determined to be adequate to fund the justice center project. The April 2003 bond schedule calculations used lower operating costs and inflation rates than provided for in the county's project documentation. The County Commission could not explain the reason for this discrepancy in amounts.

The Justice Center Fund has had a negative cash balance since its inception and by the end of May 2003, the cash balance in this fund was \$(267,307). Monies from other county funds are being borrowed to cover the costs of the Justice Center project until other financing is secured. The January 2003 project budget reflects a total project cost of approximately \$7.1 million, whereas the April 2003 project budget reflects a total project cost of approximately \$7.6 million. The April 2003 bond issue information indicates the project funds available from the bond issue proceeds is

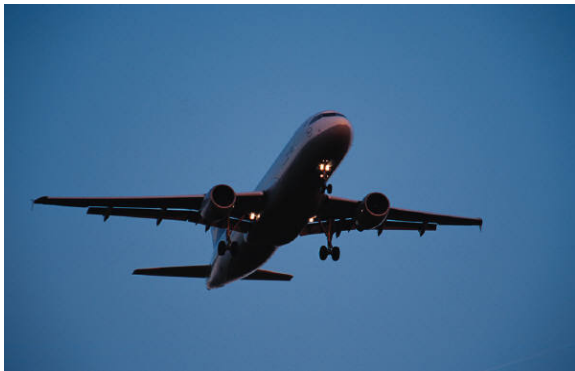
approximately \$7.7 million. Should bond issue proceeds not be sufficient to cover the total project costs, other county funds will need to be used. Given the county's overall poor financial condition, this may not even be a potential option.

In May 2002, the county contracted with a professional engineer to provide consulting services for the Justice Center project. The contract provides for the consultant to serve as the owner's representative and provide consultation and advice in connection with the Justice Center project. The county entered into this contract without adequately evaluating the potential time and cost involved and did not ensure it documented clear expectations of the owner's representative. The owner's representative's billings did not include adequate supporting documentation for services rendered, mileage incurred, and reimbursable expenses. In addition, problems were also noted with other professional services arrangements.

(Report No. 2003-79)

STATE PASSENGER AIRCRAFT FLEET

This audit examined flights of the state's eight passenger planes operated by the Office of Administration (OA), Missouri State Highway Patrol, Department of Transportation (MoDOT), and the Department of Conservation. During 2001, the four plane-operating agencies never used all eight state-owned planes in the same day. On 85 percent of the 279



flight days, five or fewer planes flew in a day. On the thirteen days where the state used more than six planes in one day, agencies chartered planes for the extra flights instead of using other available state planes.

Agency officials have increasingly used chartered planes for flights when state planes were available. For 91 percent of the flights chartered by OA (10 flights) and Conservation (6 flights) in 2000 and 2001, at least one of the eight planes was available to handle the flight. The costs of these chartered flights were nearly twice the state plane price. State officials provided four main reasons for increased charters: infrequent plane sharing between certain agencies, Highway Patrol's pilot restrictions, passenger preferences for pressurized planes, and limited use of OA's jet for short trips. Increased use of chartered pressurized planes to meet passenger preferences left state unpressurized planes unused and increased overall flight costs.

Agencies have conflicting practices about non-state employees flying on state planes, partly because no statewide policy defines appropriate state plane passengers. In eight instances, Highway Patrol officials used state planes to fly state employees to attend funeral services for a patrol officer's parents, spouses, and siblings. In addition, Highway Patrol and MoDOT flew upper management to retirement receptions of state employees and commissioners. These flights included 38 patrol flights to receptions between 1999 and 2001; and 31 passengers on eight flights to five MoDOT retirement receptions between January 2000 and February 2002. These questionable flights occurred partly because no statewide policy defines an "appropriate" state business flight. Agencies also document flight purposes differently - or not at all - making it difficult to determine if agencies are always appropriately using state planes.

Only Transportation and Conservation commissioners take state planes regularly to commission meetings and other commission-related business events. Between 1999 and 2001, the state spent over \$419,000 flying Transportation and Conservation commissioners, with average flight costs totaling \$2,908 for Conservation and \$3,776 for Transportation. In addition, costs for some commission meeting flights were much higher when planes flew to the same city multiple times in a day to accommodate commissioner schedules.

(Report No. 2003-28)

MANAGING COMMERCIAL VEHICLE WEIGHT ENFORCEMENT ACTIVITIES AT THE MISSOURI STATE HIGHWAY PATROL



Although the State Highway Patrol collects data concerning total vehicles weighed and total overweight tickets issued from scale stations and portable units, patrol personnel do not analyze or compare the data between stations. In addition, some of this data was not always accurate. The patrol could use this data to identify where enforcement is most needed. Auditors found weigh stations operate predictable hours, often open during midday, and closed late evening and early morning. Officers issued 64 percent of all overweight tickets between 8 a.m. and 5 p.m. Several patrol supervisors said scale station hours do not vary much month to month. In addition, how patrol officers count vehicles is not consistent from one scale location to another.

(Report No. 2003-93)

DEPARTMENT OF CONSERVATION

Competitive bids were not solicited by the Missouri Conservation Commission Employees' Benefits Plan Board of Trustees for a three-year consulting services contract with a total cost of \$210,000. Department of Conservation (DOC) officials indicated that bids were not solicited because of personal experiences with the contracted company by one of the commission members.



According to the DOC's records, the department paid approximately \$271,000 and \$256,000 in food costs during fiscal years 2002 and 2001, respectively. These food purchases do not include amounts reimbursed to employees through expense accounts. Some of these expenditures do not appear to be prudent uses of public monies and are not necessary to accomplish the mission of the department. In fiscal year 2003 the department adopted a new policy regarding department provided food expenditures.

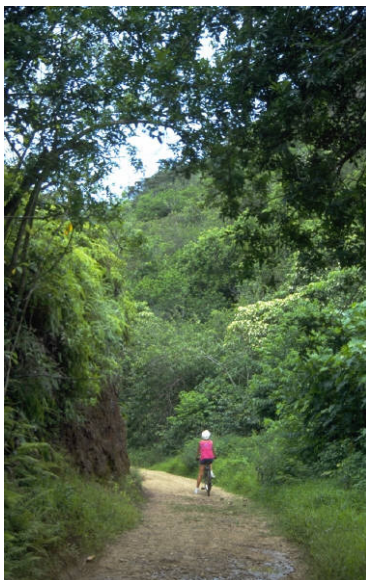
The audit also questioned costs associated with an Instructor Training Course held by the DOC at a resort at the Lake of the Ozarks. This course included 19 staff members domiciled in Jefferson City. Meals and lodging totaled approximately \$19,700 for the five-day training. Of this amount, approximately \$4,200 was related to lodging and evening meal costs for the Jefferson City staff that were in attendance and for twenty supervisors

and directors who attended an evening meal but did not incur any lodging costs. Additionally, several DOC employees attended an eight-day conference in St. Louis, incurring lodging costs totaling approximately \$30,800. According to the billing statement from the hotel, individual billings varied widely; however, detailed invoices for each individual were not maintained.

The DOC expended approximately \$60,000 during the two years ended June 30, 2002, on items classified as recognition awards, including volunteer service awards and service pins and plaques for department employees. Additionally, the department spent approximately \$25,000 in fiscal year 2001 for exercise equipment.

(Report No. 2003-17)

DEPARTMENT OF NATURAL RESOURCES



The Department of Natural Resources (DNR) could improve handling of various state grants. The DNR administers the state's Historic Preservation program, which the state pays a 40 percent match of aggregate costs for such projects, which totaled approximately \$897,000 for the three fiscal years in this audit. Auditors reviewed the management of various preservation grants, including the handling of

grants involving current DNR employees and employee relatives as interested parties. The audit noted instances where documentation was not adequate or sufficient to address potential conflicts of interest.

Department officials could not provide a list of all state and federal grants disbursed to local entities. As a result, data cannot be reviewed for all grants and no centralized accounting section is responsible for managing all the grants. The DNR administers various sewer grants to assist communities throughout the state. Auditors found department officials did not always retain proper supporting documentation for reimbursement claims, nor did the DNR require an adequate final inspection to ensure all requirements of the grant agreement were met before issuing the final grant payment.

(Report No. 2003-49)

PETITION AUDITS

The Missouri State Auditor's Office performs a variety of petition audits on political subdivisions during the year. These political subdivisions include, but are not limited to, cities, school districts and water districts. A few of the petition audits our office conducted in 2003 include the *City of Branson*, *El Dorado Springs R-II School District*, *City of Nixa* and *City of Ashland*.



The City of Branson has expended approximately \$29 million for the development of a waterfront project and a convention center on lakefront property in the downtown area. There has been extensive controversy over the development, and the city is currently involved in two pending lawsuits. Additionally, the city has expended over \$1.7 million to subsidize the principal and interest payments on bonds for the Branson Meadows Development Project as of September 30, 2002. This project has fallen short of meeting original estimations and it appears unlikely that the city will break even on the project.

Financial information prepared by the city to inform city residents and the Board of Aldermen of the city's financial position was often incomplete, inaccurate and lacked adequate detail. The city pays for approximately 77 cellular phone plans for various city departments and employees. Cellular phone expenditures totaled approximately \$21,800 for the year ending September 30, 2002. In addition, large payments were made to city administrators and directors for "special leave", unused vacation and sick leave, and deferred compensation with no evidence of prior board approval. During 2001 and 2002, payments made to select city employees totaling \$56,733 for "special leave" appear to be in violation of the Missouri Constitution.

(Report No. 2003-76)



The El Dorado Springs R-II School District did not solicit proposals for a construction management firm for the recently completed construction project to expand and remodel the elementary and middle schools. The Superintendent indicated the contract with the construction management firm was simply renewed in 2000 because the terms of the contract were the same as the original one signed in 1996; however, the terms of the contract did change. The board indicated it renegotiated the construction management contract signed in 2000 numerous times without formally amending the contract. The Superintendent stated that the construction management firm was paid in excess of the renegotiated contract amount due to the length of the project. The Superintendent also indicated numerous problems have been encountered during construction, and the district has contacted the construction management firm repeatedly to ensure the subcontractors' work has been completed.

The district violated its current bidding policy for construction projects over \$12,500, and the district's policy does not require bidding for any other items. In addition, no bids have been solicited by the district for food service vendors since March 2000. Various board members violated the district's nepotism, conflicts of interest, and financial disclosure policy.

The Superintendent's travel allowance and fringe benefits which totaled \$4,521 for 2002 were not reported on his W-2 forms. The board also approved an increase of 3 percent in the Superintendent's salary based on the consumer price index (CPI); however, the CPI was only 1.1 percent.

Additionally, reimbursements made to administrators for travel expenses were not always supported by adequate documentation of actual expenses incurred in accordance with district policy.

(Report No. 2003-52)



The City of Nixa paid incentive awards totaling \$91,225 to various city employees during the year ending December 31, 2001 including a \$25,000 payment to the City Administrator and payments totaling \$58,900 to seven street employees. These incentive awards and gift certificates appear to represent additional compensation for services previously rendered and, as such, are in violation of the Missouri Constitution and are contrary to an Attorney General's Opinion. While a similar condition was also noted in our prior report, the city elected to disregard the prior recommendation.

The former City Administrator resigned in October 1999; however, payments totaling \$14,469 were subsequently made over a three month period by the city to the administrator. The city indicated these payments represented severance pay. The City Administrator's contract did not provide for severance pay upon resignation.

Some city transactions do not appear to be a prudent and necessary use of public funds, including: paving the driveway of the former Mayor in 1999 at a cost of \$1,060 and paying \$4,000 to the Nixa Fire Protection District for the city's annual fireworks display during 2001. Additionally, the

city did not obtain bids or retain adequate bid documentation for the following expenditures incurred in 2001 including trash hauling services (\$400,742), fuel (\$59,416), and backhoe services (\$12,711).

During the two years ending December 31, 2001, the City Clerk and the Parks Department Superintendent were paid approximately \$11,500 and \$16,900, respectively, for overtime. Approval of this overtime was not documented in accordance with the city policy. In addition, we noted the amount of receipts on the Parks Department cash register tapes did not always reconcile to the amount transmitted to the city for deposit. The differences were not investigated, and possible missing funds went undetected due to the lack of oversight by the Parks Department. Despite these weaknesses and differences, the city responded that they would continue with their current procedures.

(Report No. 2003-13)

The City of Ashland had an original construction contract for street, water, and sewer improvement on the Liberty Lane project totaling \$310,000, although the city incurred additional construction expenditures of approximately \$294,000 for change orders. Board minutes indicate \$223,000 of the change orders involved additional construction for water main improvements, however the city did not solicit bids for the additional construction included in the change orders. Additionally, in July 1998, the city purchased land for \$150,000 located near the current city hall; however, this land has not been used by the city and no formal plans were prepared for such a project.

The city's budget for the year ending April 30, 2003 was not passed by ordinance, signed by the board, or retained with board meeting minutes. Therefore, it is unclear what budget documents were approved by the board. In addition, the city's budgets did not adequately project the revenues and expenditures of some funds, document some interfund transfers, nor reflect accurate prior years' revenues.

(Report No. 2003-42)

MISSOURI STATE AUDITOR'S OFFICE WEBSITE

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www.auditor.mo.gov

All audit reports issued in 1999, 2000, 2001, 2002, and 2003 are listed on the site and each audit report is categorized in order to locate it quickly and easily. These reports are posted for individuals to view and print. There are “Yellow Sheet” summations available for each audit.

In addition, posted on the office's web site are bonds registered with the office. The date of registration, whom the bond was issued by, and the amount of the bond are listed on the site. There is also a link to the individual bond registration report that contains additional information, such as the purpose of the bond and election results. The web site lists all the bond registrations for 1999, 2000, 2001, 2002, and 2003.

Furthermore, anyone can request an audit report(s) by contacting the State Auditor's Office through e-mail at moaudit@auditor.mo.gov or writing to the office under the “Your Input” section on our website. Individuals may also contact the office by mail or by telephone.

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In Springfield:

Landers State Office Building
149 Park Central Square
Springfield, Missouri 65806
(417) 895-6515
Fax: (417) 895-6521

APPENDIX A

Office of the Missouri State Auditor Audit Reports Delivered from January 1, 2003 through December 31, 2003

<u>AUDIT</u>	<u>DATE ISSUED</u>	<u>AUDIT NUMBER</u>
Review Of 2003 Property Tax Rates	12-31-2003	2003-124
Comprehensive Annual Financial Report	12-31-2003	2003-123
Holt County	12-31-2003	2003-122
Dunklin County	12-31-2003	2003-121
Department Of Mental Health Habilitation Center Management	12-23-2003	2003-120
Clark County	12-23-2003	2003-119
Grundy County	12-23-2003	2003-118
Ralls County	12-22-2003	2003-117
Putnam County	12-22-2003	2003-116
Department Of Social Services Foster Care Program	12-05-2003	2003-115
City Of Greenwood	12-04-2003	2003-114
State Data Center Comprehensive Continuity Planning And Mainframe Security Administration	11-26-2003	2003-113
City of Homestown, Missouri	11-17-2003	2003-112
Department of Public Safety - Missouri Veterans Commission - Cameron Veterans' Home	11-17-2003	2003-111
Metropolitan St. Louis Sewer District Follow-Up On State Auditor's Prior Findings	11-13-2003	2003-110
Review of Minority- and Women-Owned Business Enterprise Program	10-27-2003	2003-109
Comprehensive Continuity Planning and Information Resource Security Management of The State's Accounting System (SAMII)	10-23-2003	2003-108
State Vehicle Maintenance Facility and Fleet Fuel Card Program	10-22-2003	2003-107
Pemiscot County	09-30-2003	2003-106
Henry County	09-30-2003	2003-105
Madison County	09-30-2003	2003-104
Pulaski County	09-30-2003	2003-103
Nodaway County	09-30-2003	2003-102
Ripley County	09-30-2003	2003-101

Christian County	09-29-2003	2003-100
Lawrence County	09-29-2003	2003-99
Phelps County	09-29-2003	2003-98
Sullivan County	09-29-2003	2003-97
Stone County	09-26-2003	2003-96
Harrison County	09-26-2003	2003-95
Carroll County	09-26-2003	2003-94
Managing Commercial Vehicle Weight Enforcement Activities At The Missouri State Highway Patrol	09-24-2003	2003-93
Department of Mental Health Northwest Missouri Psychiatric Rehabilitation Center	09-18-2003	2003-92
Review Of The Missouri Unemployment Compensation Trust Fund	09-05-2003	2003-91
Department Of Health and Senior Services Office of the Director	09-03-2003	2003-90
School District's Travel Expenditures	09-03-2003	2003-89
Department of Mental Health Higginsville Habilitation Center	08-26-2003	2003-88
Supreme Court of Missouri	08-25-2003	2003-87
Division Of Comprehensive Psychiatric Services Contracts For Services	08-25-2003	2003-86
Texas County	08-13-2003	2003-85
Maries County	08-13-2003	2003-84
Howell County	08-13-2003	2003-83
Stoddard County	08-07-2003	2003-82
Ste. Genevieve County	08-07-2003	2003-81
Randolph County	08-07-2003	2003-80
Randolph County Justice Center	08-06-2003	2003-79
Daviess County, Missouri Ex-Officio County Collector	08-05-2003	2003-78
Department Of Insurance Three Years Ended June 30, 2002	07-31-2003	2003-77
City Of Branson, Missouri Year Ended September 30, 2002	07-30-2003	2003-76
St. Louis Regional Convention And Sports Complex Authority	07-25-2003	2003-75
Jackson County Sports Complex Authority	07-25-2003	2003-74
Perry County	07-21-2003	2003-73
Moniteau County	07-21-2003	2003-72
Crawford County	07-21-2003	2003-71
Office Of Sheriff City Of St. Louis, Missouri	07-17-2003	2003-70
Schuyler County	07-15-2003	2003-69
Department Of Mental Health St. Louis Psychiatric Rehabilitation Center	07-11-2003	2003-68
Webster County	07-08-2003	2003-67

<u>St. Clair County</u>	07-08-2003	2003-66
<u>Morgan County</u>	07-08-2003	2003-65
<u>Laclede County</u>	07-07-2003	2003-64
<u>Dade County</u>	07-07-2003	2003-63
<u>Barry County</u>	07-07-2003	2003-62
<u>Mercer County</u>	07-03-2003	2003-61
<u>Lewis County</u>	07-03-2003	2003-60
<u>Dallas County</u>	07-03-2003	2003-59
<u>Scotland County</u>	06-30-2003	2003-58
<u>Daviees County</u>	06-30-2003	2003-57
<u>Cooper County</u>	06-30-2003	2003-56
<u>Department Of Revenue Division Of Taxation And Collection Sales And Use Tax Two Years Ended June 30, 2002</u>	06-26-2003	2003-55
<u>Review Of Article X Sections 16 Through 24 Constitution Of Missouri Year Ended June 30, 2002</u>	06-26-2003	2003-54
<u>Crime Victims' Compensation ProgramTwo Years Ended June 30, 2002</u>	06-24-2003	2003-53
<u>El Dorado Springs R-II School District Year Ended June 30, 2002</u>	06-16-2002	2003-52
<u>Village Of Velda Village Hills, Missouri Year Ended March 31, 2002</u>	06-11-2003	2003-51
<u>Twenty-Second Judicial Circuit City of St. Louis Municipal Divisions</u>	06-10-2003	2003-50
<u>Department Of Natural Resources</u>	06-06-2003	2003-49
<u>Department Of Public Safety Missouri Veterans Commission St. James Veterans' Home</u>	06-02-2003	2003-48
<u>Missouri State Council On The Arts</u>	06-02-2003	2003-47
<u>State Of Missouri Single Audit Year Ended June 30, 2002</u>	05-30-2003	2003-46
<u>Department Of Higher Education State Guaranty Student Loan Program Year Ended June 30, 2002</u>	05-29-2003	2003-45
<u>Division of Child Support Enforcement Computer Risk Management Program</u>	05-20-2003	2003-44
<u>Department Of Agriculture State Milk Board</u>	05-14-2003	2003-43
<u>City of Ashland, Missouri</u>	05-12-2003	2003-42
<u>Department of Corrections Western Missouri Correctional Center</u>	05-01-2003	2003-41
<u>Review Of Higher Education Tuition Levels</u>	05-01-2003	2003-40
<u>Missouri Investment Trust</u>	04-25-2003	2003-39
<u>Office of State Treasurer</u>	04-25-2003	2003-38
<u>Comprehensive Annual Financial Report</u>	04-17-2003	2003-37

<u>Department of Elementary And Secondary Education Educational Funding</u>	04-16-2003	2003-36
<u>School Bus Safety</u>	04-15-2003	2003-35
<u>Office of Governor</u>	04-11-2003	2003-34
<u>Department of Public Safety - Missouri Veterans Commission - St. Louis Veterans' Home</u>	04-08-2003	2003-33
<u>New Jobs Training Program Tax Credit</u>	04-08-2003	2003-32
<u>Shannon County</u>	04-04-2003	2003-31
<u>Township Financial Reporting Practices</u>	04-04-2003	2003-30
<u>Hickory County</u>	04-03-2003	2003-29
<u>State Passenger Aircraft Fleet</u>	04-02-2003	2003-28
<u>Osage Ambulance District</u>	03-25-2003	2003-27
<u>Pike Township</u>	03-25-2003	2003-26
<u>Department of Social Services Foster Care Program</u>	03-18-2003	2003-25
<u>City of Maryland Heights</u>	03-12-2003	2003-24
<u>Twenty-Second Judicial Circuit St. Louis City, Missouri Circuit Clerk's Office</u>	03-11-2003	2003-23
<u>Department of Public Safety - Office of the Adjutant General</u>	03-05-2003	2003-22
<u>Missouri Gaming Commission</u>	03-04-2003	2003-21
<u>Compliance with Closed Meeting and Closed Session Provisions of the Sunshine Law</u>	03-03-2003	2003-20
<u>Compilation of 2002 Criminal Activity Forfeiture Act Seizures</u>	02-28-2003	2003-19
<u>City of La Grange</u>	02-25-2003	2003-18
<u>Department of Conservation</u>	02-20-2003	2003-17
<u>Department of Revenue Information Resource Security Management</u>	02-20-2003	2003-16
<u>City of Forest City</u>	02-19-2003	2003-15
<u>Fifth Judicial Circuit City of St. Joseph, Missouri Municipal Division</u>	02-14-2003	2003-14
<u>City of Nixa</u>	02-11-2003	2003-13
<u>Fifteenth Judicial Circuit Lafayette County, Missouri</u>	02-10-2003	2003-12
<u>Reynolds County</u>	02-06-2003	2003-11
<u>Division of Family Services Oversight of Temporary Assistance for Needy Families</u>	01-28-2003	2003-10
<u>Office of the Secretary of State</u>	01-27-2003	2003-09
<u>Department of Health and Senior Services' Monitoring of Nursing Homes and Handling of Complaint Investigations</u>	01-22-2003	2003-08
<u>Review of Independent Audits of Fire Protection Districts in Greene County</u>	01-21-2003	2003-07

<u>Review of Independent Audits of Fire Protection Districts in St. Louis County</u>	01-21-2003	2003-06
<u>Dent County</u>	01-16-2003	2003-05
<u>Barry County Health Department</u>	01-15-2003	2003-04
<u>Pike Creek Common Sewer District</u>	01-14-2003	2003-03
<u>Department of Corrections Women's Eastern Reception, Diagnostic and Correctional Center</u>	01-06-2003	2003-02
<u>Twenty-Sixth Judicial Circuit Municipal Divisions Camden, Laclede, and Miller Counties</u>	01-06-2003	2003-01

<p>Copies of the year 2003 audits or other audit reports can be obtained by contacting the State Auditor's Office by phone at (573) 751-4213, by e-mail at moaudit@auditor.gov.mo, or by mail at P.O. Box 869, Jefferson City, Missouri 65102.</p>

APPENDIX B

Bonds Registered with the Missouri State Auditor's Office

The Missouri State Auditor's Office is responsible for reviewing and registering general obligation bonds issued by political subdivisions in Missouri, with certain exceptions, to ensure those bonds comply with both state law and the conditions of the contracts under which the bonds are issued. Information regarding each bond issue registered with this office since January 1, 2003 to December 31, 2003 are listed below.

Date of Registration	Bonds Issued By	Amount of Issue
12-31-2003	<u>Meramec Valley R-III School District</u>	\$4,300,000.00
12-31-2003	<u>Valley Park School District</u>	\$7,634,692.75
12-29-2003	<u>Cass County, Missouri</u>	\$367,000.00
12-23-2003	<u>City of Berkeley</u>	\$2,725,000.00
12-22-2003	<u>Fort Zumwalt School District</u>	\$4,825,000.00
12-22-2003	<u>Fort Zumwalt School District</u>	\$6,825,000.00
12-22-2003	<u>City of Lake Ozark</u>	\$225,000.00
12-18-2003	<u>Camden County, Missouri</u>	\$56,000.00
12-17-2003	<u>Warsaw Reorganized School District No. R-IX</u>	\$2,620,000.00
12-17-2003	<u>Palmyra R-I School District</u>	\$4,460,000.00
12-16-2003	<u>Clearwater R-I School District</u>	\$830,000.00
12-16-2003	<u>Mount Vernon R-V School District</u>	\$1,130,000.00
12-15-2003	<u>Grandview R-II School District</u>	\$2,675,000.00
12-15-2003	<u>Newburg Reorganized School District No.2</u>	\$300,000.00
12-12-2003	<u>Cottleville Community Fire Protection District</u>	\$1,000,000.00
12-09-2003	<u>Silex R-I School District</u>	\$1,115,000.00
12-08-2003	<u>Excelsior Springs 40 School District</u>	\$2,675,000.00
12-03-2003	<u>Blue Eye R-V School District</u>	\$975,000.00
12-02-2003	<u>East Prairie R-II School District</u>	\$1,350,000.00
11-26-2003	<u>Sweet Springs R-VII School District</u>	\$1,160,000.00
11-21-2003	<u>Kirksville R-III School District</u>	\$2,740,000.00
11-20-2003	<u>Cole County R-I School District</u>	\$875,000.00
11-20-2003	<u>Cole County R-I School District</u>	\$400,000.00

11-19-2003	<u>City of Marshfield</u>	\$2,660,000.00
11-14-2003	<u>Owensville. Missouri</u>	\$1,165,000.00
11-07-2003	<u>St. Charles Community College</u>	\$7,560,000.00
11-07-2003	<u>Kingston K-14 School District</u>	\$850,000.00
11-07-2003	<u>Licking, Missouri</u>	\$159,994.54
11-04-2003	<u>Windsor C.1 School District</u>	\$4,300,000.00
11-03-2003	<u>Canton R-V School District</u>	\$210,000.00
11-03-2003	<u>Kingston K.14 School District</u>	\$2,000,000.00
10-31-2003	<u>Canton R-V School District</u>	\$1,250,000.00
10-29-2003	<u>State of Missouri. Third State Building General Obligation Refunding Bond. Series A 2003</u>	\$75,650,000.00
10-29-2003	<u>State of Missouri, State Water Pollution Control General Obligation Refunding Bond</u>	\$74,655,000.00
10-27-2003	<u>Monarch-Chesterfield Levee District</u>	\$12,855,000.00
10-23-2003	<u>Black Jack Fire Protection District</u>	\$4,000,000.00
10-22-2003	<u>City of Des Peres</u>	\$815,000.00
10-20-2003	<u>Miller County, Missouri</u>	\$51,500.00
10-20-2003	<u>Reorganized School District No.7</u>	\$10,000,000.00
10-15-2003	<u>West County EMS and Fire Protection District</u>	\$2,000,000.00
10-09-2003	<u>Chaffee R-II School District</u>	\$2,010,000.00
09-29-2003	<u>School District of North Kansas City</u>	\$22,000,000.00
09-29-2003	<u>Monroe County Library District</u>	\$300,000.00
09-26-2003	<u>City of Parkville</u>	\$449,000.00
09-26-2003	<u>Kirbyville R-VI School District</u>	\$130,000.00
09-25-2003	<u>DeSoto School District #73</u>	\$7,600,000.00
09-15-2003	<u>Spokane School District R-VII</u>	\$1,515,000.00
09-10-2003	<u>Campbell R-II School District</u>	\$3,120,000.00
09-09-2003	<u>City of Lee's Summit</u>	\$25,450,000.00
09-05-2003	<u>Reorganized School District No. R-III</u>	\$2,985,000.00
09-05-2003	<u>Kingsville R-I School District</u>	\$460,000.00
09-05-2003	<u>Kingsville R-I School District</u>	\$415,000.00
09-04-2003	<u>Community Fire Protection District</u>	\$5,000,000.00
08-29-2003	<u>Dexter R-XI School District</u>	\$4,065,000.00
08-28-2003	<u>Platte County. Missouri</u>	\$749,999.55

08-27-2003	<u>Lakeland R-III School District</u>	\$1,200,000.00
08-26-2003	<u>Grain Valley R-V School District</u>	\$2,175,000.00
08-26-2003	<u>Lakeland R-III School District</u>	\$500,000.00
08-21-2003	<u>Platte County, Missouri</u>	\$4,000,000.00
08-14-2003	<u>School District of Columbia</u>	\$32,640,000.00
08-13-2003	<u>Orrick R-XI School District</u>	\$400,000.00
08-13-2003	<u>Fayette R-III School District</u>	\$770,000.00
08-11-2003	<u>Strasburg C-3 School District</u>	\$1,219,999.60
08-08-2003	<u>East Newton R-VI School District</u>	\$385,000.00
08-08-2003	<u>City of O'Fallon</u>	\$1,140,000.00
08-06-2003	<u>Ritenour School District</u>	\$4,128,515.70
08-06-2003	<u>Boles Fire Protection District</u>	\$4,715,000.00
07-30-2003	<u>Christian County</u>	\$117,000.00
07-28-2003	<u>Village of Bel-Nor</u>	\$355,000.00
07-28-2003	<u>Francis Howell School District</u>	\$11,895,000.00
07-28-2003	<u>Prairie Home R 5 School District</u>	\$520,000.05
07-28-2003	<u>Pemiscot County Special School District</u>	\$1,500,000.00
07-24-2003	<u>Miller County Nursing Home District</u>	\$640,000.00
07-23-2003	<u>City of Forsyth</u>	\$535,000.00
07-23-2003	<u>Dixon, Missouri</u>	\$734,999.70
07-23-2003	<u>Ozark Reorganized School District No.6</u>	\$2,175,000.00
07-21-2003	<u>City of Pacific</u>	\$305,000.00
07-18-2003	<u>Seligman, Missouri</u>	\$204,999.80
07-18-2003	<u>Tracy, Missouri</u>	\$134,999.84
07-17-2003	<u>Wentzville R-IV School District</u>	\$11,200,000.00
07-16-2003	<u>Shelby County C-1 School District</u>	\$855,000.00
07-14-2003	<u>Reorganized School District R-II</u>	\$6,045,000.00
07-14-2003	<u>Carl Junction R-1 School District</u>	\$3,900,000.00
07-14-2003	<u>City of St. Charles</u>	\$2,555,000.00
07-14-2003	<u>Dora R-III School District</u>	\$300,000.00
07-14-2003	<u>Greenville R-II School District</u>	\$440,000.00
07-14-2003	<u>Greenville R-II School District</u>	\$625,000.00
07-02-2003	<u>Bloomfield, Missouri</u>	\$170,000.00
07-02-2003	<u>Putnam County R-I School District</u>	\$690,000.00

07-01-2003	<u>Taneyville Reorganized School District No.2</u>	\$324,999.80
07-01-2003	<u>City of Tipton</u>	\$175,000.00
06-30-2003	<u>Cassville R-IV School District</u>	\$1,820,000.00
06-30-2003	<u>Monett R-1 School District</u>	\$1,300,000.00
06-30-2003	<u>Harrisburg R-VIII School District</u>	\$535,000.00
06-27-2003	<u>Southwest R-V School District</u>	\$3,200,000.00
06-27-2003	<u>Owensville, Missouri</u>	\$1,165,000.00
06-27-2003	<u>Reorganized School District R-1</u>	\$9,605,000.00
06-26-2003	<u>Southwest R-V School District</u>	\$330,000.00
06-26-2003	<u>Metro West Fire Protection District</u>	\$7,355,000.00
06-25-2003	<u>Lindbergh R-8 School District</u>	\$14,100,000.00
06-25-2003	<u>New Franklin R-I School District</u>	\$880,000.00
06-25-2003	<u>Harrisburg R-VIII School District</u>	\$1,150,000.00
06-25-2003	<u>Orchard Farm R.V School District</u>	\$6,100,000.00
06-24-2003	<u>Reorganized School District No.2 (Willard)</u>	\$19,600,000.00
06-24-2003	<u>Maryville R-II School District</u>	\$7,350,000.00
06-24-2003	<u>Hannibal 60 School District</u>	\$2,775,000.00
06-23-2003	<u>School District of Riverview Gardens</u>	\$13,900,000.00
06-23-2003	<u>Sarcoie R-II School District</u>	\$1,900,000.00
06-23-2003	<u>West Platte R-II School District</u>	\$250,000.00
06-18-2003	<u>North Callaway County R-I School District</u>	\$3,600,000.00
06-18-2003	<u>School District of the City of Independence</u>	\$27,000,000.00
06-17-2003	<u>Rockwood R-6 School District</u>	\$12,869,732.80
06-13-2003	<u>Howard Bend Levee District</u>	\$4,075,000.00
06-11-2003	<u>School District of North Kansas City</u>	\$9,185,800.00
06-11-2003	<u>Reorganized School District No. R-O</u>	\$150,000.00
06-10-2003	<u>Bland, Missouri</u>	\$264,999.80
06-10-2003	<u>Pettis County R-V School District</u>	\$490,000.00
06-06-2003	<u>Gasconade County R-II School District</u>	\$3,450,000.00
06-03-2003	<u>Lawson Reorganized School District No. R-XIV</u>	\$1,000,000.00
06-02-2003	<u>Paris R-II School District</u>	\$1,255,000.00
06-02-2003	<u>Oak Grove R-VI School District</u>	\$10,000,000.00
05-30-2003	<u>Union R-XI School District</u>	\$9,850,000.00
05-29-2003	<u>Reorganized School District No.2</u>	\$3,075,000.00

05-29-2003	<u>Houston, Missouri</u>	\$315,000.00
05-29-2003	<u>City of Tarkio</u>	\$500,000.00
05-29-2003	<u>City of Savannah</u>	\$510,000.00
05-29-2003	<u>City of Osage Beach</u>	\$2,025,000.00
05-28-2003	<u>Southern Boone County Fire Protection District</u>	\$1,455,000.00
05-28-2003	<u>Central R-III School District</u>	\$4,600,000.00
05-28-2003	<u>McDonald County R-I School District</u>	\$3,500,000.00
05-23-2003	<u>Hickman Mills C-1 School District</u>	\$19,950,000.00
05-23-2003	<u>Rolla School District No.31</u>	\$8,500,000.00
05-23-2003	<u>School District of Springfield R-12</u>	\$30,000,000.00
05-22-2003	<u>Johnson County, Missouri</u>	\$104,000.00
05-22-2003	<u>Eldon Administrative Unit School District R-1</u>	\$5,800,000.00
05-22-2003	<u>City of Warrenton</u>	\$292,000.00
05-22-2003	<u>Rockwood R.6 School District</u>	\$44,470,000.00
05-21-2003	<u>Holden R-III School District</u>	\$5,915,000.00
05-20-2003	<u>Green City R-1 School District</u>	\$420,000.00
05-20-2003	<u>Hollister Reorganized School District No. R-5</u>	\$14,095,000.00
05-20-2003	<u>Webb City R-VII School District</u>	\$3,500,000.00
05-20-2003	<u>Grain Valley R-V School District</u>	\$2,500,000.00
05-20-2003	<u>Mound City, Missouri</u>	\$565,024.80
05-19-2003	<u>Leeton School District No. R-X</u>	\$579,969.50
05-16-2003	<u>Wentzville R-IV School District</u>	\$23,000,000.00
05-15-2003	<u>Wood Heights, Missouri</u>	\$310,000.20
05-14-2003	<u>Lonedell R-XIV School District</u>	\$330,000.00
05-15-2003	<u>Lonedell R-XIV School District</u>	\$550,000.00
05-13-2003	<u>City of Hamilton</u>	\$525,000.00
05-13-2003	<u>Kirbyville R.VI School District</u>	\$1,794,998.75
05-09-2003	<u>Pattonsburg Reorganized School District No. R.II</u>	\$504,999.75
05-05-2003	<u>Dunklin R-V School District</u>	\$995,000.00
04-30-2003	<u>Stanberry R-II School District</u>	\$335,000.00
04-29-2003	<u>Hamilton R-II School District</u>	\$200,000.00
04-29-2003	<u>Slater School District</u>	\$550,000.00
04-28-2003	<u>Mount Vernon R-V School District</u>	\$1,290,000.00
04-25-2003	<u>Raymondville Reorganized School District No. R-7</u>	\$279,999.40

04-25-2003	<u>Park Hill School District</u>	\$9,950,000.00
04-25-2003	<u>School District of the City of St. Charles</u>	\$52,100,000.00
04-18-2003	<u>Ferguson Reorganized School District R-2</u>	\$12,000,000.00
04-17-2003	<u>Parkway C-2 School District</u>	\$13,330,000.00
04-07-2003	<u>Green Township</u>	\$120,000.00
04-02-2003	<u>Johnson County, Missouri</u>	\$48,000.00
04-02-2003	<u>Greenfield R-IV School District</u>	\$975,000.00
04-01-2003	<u>Strafford R-VI School District</u>	\$2,900,000.00
03-28-2003	<u>New Bloomfield R-III School District</u>	\$695,000.00
03-28-2003	<u>Chadwick R-I School District</u>	\$1,075,000.00
03-27-2003	<u>School District of Washington</u>	\$1,745,000.00
03-27-2003	<u>Otterville Reorganized School District No. R-VI</u>	\$845,000.00
03-27-2003	<u>City of Manchester</u>	\$6,500,000.00
03-26-2003	<u>Smithton R-VI School District</u>	\$645,000.00
03-25-2003	<u>Franklin County R-II School District of New Haven. Missouri</u>	\$515,000.00
03-21-2003	<u>Bayless Consolidated School District</u>	\$6,025,000.00
03-20-2003	<u>Cedar Hill Fire Protection District</u>	\$610,000.00
03-12-2003	<u>St. Charles County, Missouri</u>	\$362,000.00
03-10-2003	<u>Rolla School District No. 31</u>	\$4,085,000.00
03-05-2003	<u>New Madrid County R-I School District</u>	\$2,120,000.00
03-04-2003	<u>Thayer R-II School District</u>	\$3,100,000.00
03-03-2003	<u>Mexico School District No. 59</u>	\$320,000.00
02-27-2003	<u>School District of Columbia</u>	\$15,000,000.00
02-27-2003	<u>Johnson County R-VII School District</u>	\$2,950,000.00
02-25-2003	<u>Ballard R-II School District</u>	\$1,000,000.00
02-24-2003	<u>Pleasant Hope R-VI School District</u>	\$1,300,000.00
02-24-2003	<u>Consolidated School District No. 6</u>	\$5,700,000.00
02-21-2003	<u>School District of the City of St. Charles</u>	\$12,139,776.35
02-18-2003	<u>Consolidated School District No. 4</u>	\$4,000,000.00
02-18-2003	<u>Consolidated School District No. 4</u>	\$8,410,000.00
02-10-2003	<u>Dunklin R-V School District</u>	\$4,250,000.00
02-10-2003	<u>Dunklin R-V School District</u>	\$1,905,000.00
02-10-2003	<u>Farmington R-7 School District</u>	\$7,440,000.00

02-10-2003	<u>Farmington R-7 School District</u>	\$1,450,000.00
02-07-2003	<u>Sni-Valley Fire Protection District</u>	\$465,000.00
02-07-2003	<u>Marceline R-V School District</u>	\$905,000.00
02-03-2003	<u>Weatherby Lake, Missouri</u>	\$2,200,000.00
02-03-2003	<u>City of Raytown</u>	\$5,860,000.00
01-29-2003	<u>Wellington-Napoleon R-IX School District</u>	\$570,000.00
01-29-2003	<u>Wellington-Napoleon R-IX School District</u>	\$810,000.00
01-29-2003	<u>Sturgeon R-V School District</u>	\$1,170,000.00
01-24-2003	<u>City of Warson Woods</u>	\$1,255,000.00
01-22-2003	<u>Wright City R-II School District</u>	\$799,250.00
01-22-2003	<u>Meramec Valley R-III School District</u>	\$9,900,000.00
01-21-2003	<u>Kirbyville R-VI School District</u>	\$450,000.00
01-17-2003	<u>Osage County R-III School District of Westphalia, Missouri</u>	\$1,435,000.00
01-17-2003	<u>Malta Bend R-V School District</u>	\$795,000.00
01-17-2003	<u>Fort Zumalt School District</u>	\$15,000,000.00
01-17-2003	<u>Fort Zumalt School District</u>	\$3,325,000.00
01-17-2003	<u>Fort Zumalt School District</u>	\$1,675,000.00
01-14-2003	<u>Stewartsville C-2 School District</u>	\$420,000.00
01-13-2003	<u>Blue Eye R-V School District</u>	\$1,170,000.00
01-10-2003	<u>North St. Francois County R-1 School District</u>	\$4,875,000.00
01-07-2003	<u>Purdy R-II School District</u>	\$750,000.00
01-03-2003	<u>Lincoln County R-III School District of Troy, Missouri</u>	\$3,350,000.00
01-03-2003	<u>West St. Francis County R-IV School District</u>	\$1,225,000.00
01-03-2003	<u>West St. Francis County R-IV School District</u>	\$860,000.00
01-03-2003	<u>Hamilton R-II School District</u>	\$635,000.00
01-02-2003	<u>Reorganized School District No. 4</u>	\$8,875,000.00
01-02-2003	<u>Harrisonville R-IX School District</u>	\$610,000.00
01-02-2003	<u>South Holt County R-1 School District</u>	\$730,000.00